

Short-Term Firm Network ATC

March 18, 2004

Plan to Cover Today

- Where are we right now with Short-Term Firm (STF) ATC?
- Why do we need new tools to optimize STF?
- What are BPA's criteria for developing solution for STF ATC?
- What outcomes do we hope for?
- What options and issues are TBL exploring?
- Next Steps?

What Drove BPA's Actions Regarding STF ATC?

- November 2003, BPA adopted an ATC methodology for Long-Term Firm (LTF) requests over constrained Network Flowgates.
- The current process for requesting STF service on the Network does not provide TBL with sufficient information for identifying impacts on constrained Network paths. Examples of TBL's concern are West of McNary and I-5 corridor.
- The current method of evaluating impacts of STF requests on the Network is inconsistent with the flow-based LTF ATC Methodology which looks at impacts by POR to POD across 10 Network Flowgates.
- Increasing concerns about violating WECC path-loading limits.
- Risk of degrading or impairing existing firm obligations and higher priority LTF requests.
- Holding requests and creating a STF queue is not an option. STF requests require a timely response.

Short-Term Firm ATC Today

- Business as usual, TBL is awarding some STF requests through June 30, 2004.
- This is an interim step.
- Expect to post STF ATC for July 1 no later than May 1, 2004.
- We are working diligently to develop a new STF ATC methodology that is consistent with the LTF ATC Methodology and will enable to respond to service requests after June 30, 2004.

Decision Criteria for Development of STF ATC Methodology

- Avoid degrading or impairing the reliability of the transmission system.
- Preserve existing commitments for Firm transmission.
- Preserve ATC needed to process higher priority LTF requests currently pending.
- Compatible with flow-based LTF ATC Methodology

Objectives for STF ATC Methodology

- Meets the decision criteria.
- Can be implemented as soon as possible.
- Allow STF transmission requests for Network service to be awarded.
- Maximize Available Transmission Capacity consistent with decision criteria.

Options Being Considered

- Require POR/POD Detail
 - Based on Bus level POR/POD combinations
 - For example: “Rocky Reach 230 to Keeler 230” (new detail) vs. “Grant to PGE” (current detail)
- TBL Deemed POR/POD
 - TBL will assign specific Bus level POR/POD to Source/Sink combination
 - Customer will continue to submit as currently.
- Monthly Option
 - Limit STF to 30-day blocks of service
 - Rolling 30-day window
- Fixed Products
 - Sell blocks of STF ATC with pre-determined start and stop dates.
- Continue to accept all STF Network requests.
- Continue to post zero ATC on Network for STF and sell all short-term under Non-Firm.

Issues To Be Considered

- Define business practices and internal processes
- Develop automated systems
- Tariff, Rate and FERC Order 638 compliance
- Short-term impact on power market
- Long-term impact on transmission market

Next Steps

- Business as usual through June 30, 2004
- Interim solution by May 1, 2004
- TBL will provide regular updates
- Interested parties are encouraged to submit comments and suggestions to contractlock@bpa.gov.
- Relevant information will be posted to the ATC section of the TBL web site.